

Klippan Safety Code of Conduct

Introduction

Klippan Safety is committed to being a responsible employer and a good corporate citizen. All our activities - including the manufacturing, distribution, and sale of our products - must be conducted with respect and consideration for human rights, human safety and health, the society, and the environment. We strive for continuous improvement with sustainability as a core concern in all our operations.

Klippan Safety's Code of Conduct has been established to underline the principles by which the company conducts its relations with employees, business partners and other stakeholders. This applies to all members of the organization. Further, Klippan Safety expects all business partners (suppliers, subcontractors, traders, consultants, etc.) to implement the same principles. It is the responsibility of all employees and management to ensure compliance with this Code of Conduct.

In incidents of non-compliance, employees are encouraged and expected to report this to relevant internal officers or the appropriate services and are assured that there will be no retaliation or other negative consequences.

General requirements

Laws and regulations

All Klippan Safety's units and Business Partners (suppliers, subcontractors etc.), including all directors, officers and employees, shall conduct their business in full compliance with the relevant laws and regulations applicable to their operations and the employment of persons in the countries in which they operate.

Suppliers and subcontractors

Suppliers are required to comply with the principles of this Code of Conduct. If suppliers use subcontractors for production of parts to Klippan Safety, it is the supplier's responsibility to ensure that the subcontractor complies with these requirements. Upon request, the suppliers are obliged to provide Klippan Safety with a list of subcontractors with whom it cooperates.

Human rights and workplace principles

Child labour and forced labour

Child labour is not tolerated in any form. Unless local law stipulates a higher age limit, no person younger than the age for completing compulsory education or younger than 15 years is allowed for labour. If a child is found working at a site where Klippan Safety's products and/or components are produced, Klippan Safety encourages remediation that does not worsen the child's social situation. Forced, involuntary labour or human trafficking is not tolerated in any form.

Health and safety

All employees shall be provided with a safe and healthy working environment and, when applicable, safe and healthy residential facilities, with applicable local law as a minimum. The employer should take appropriate action to prevent workplace accidents or illnesses.

Freedom of Association and Collective Bargaining

Klippan Safety's units and Business partners shall respect the rights of the employees to lawfully form, join or exclude themselves from employer-employee relationships-related associations and to bargain collectively, where permissible by local laws. They must also ensure that employees are given the opportunity to discuss their working conditions with management without fear of retaliation.

System of benefits and wages

Klippan Safety follows the local legal requirements regarding system of benefits and wages, and collective bargaining agreements.

Working hours

Klippan Safety's units and Business partners shall comply to applicable legislation regarding working hours, rest rules and requirements applicable to the conduct of business.

Discrimination

Klippan Safety and Business partners shall recognize and respect individual differences. All employees or potential employees for recruitment shall be treated ethically, strictly according to his or her abilities and qualifications in any employment decisions. Discrimination with regards to gender, race, religion, age, disability, sexual orientation, nationality, political opinion, union-affiliation, social or ethnic origin is not tolerated.

Harassment and Abuse

No employee shall be exposed to any mental or physical punishment, sexual, psychological, or verbal harassment or abuse.

As an extended consequence of harassment and abuse, Klippan Safety AB, do NOT accept unlawful eviction and unlawful deprivation of land, forests, and waters in connection with the acquisition, construction or other use of land, forests, and waters, which provide a person's livelihood.

Klippan Safety prohibits the use of un-authorized private or public security guards to protect the company's project, if not agreed with Klippan Safety. All guarding must be carried out without the use of torture, or other cruel, inhuman, and degrading treatment that risks harming individuals. Furthermore, guarding must not lead to it preventing and infringing the freedom of association for individuals.

Principles of environmental protection

Klippan Safety comply with all applicable environmental laws, regulations, and customer requirements. The commitment is stated in the Environmental policy and in Klippan Safety's Management system.

Klippan Safety's suppliers and their subcontractors are expected to comply with legislation and customer requirements and are encouraged to comply with Klippan Safety's Environmental Policy.

Supplier's and subcontractor's Environmental policy shall cover principles for: prevention and reduction of greenhouse gas emissions (e.g. decarbonisation), energy efficiency and renewable energy, improvement of water, air and soil quality and reduction of water consumption, sustainable resources management, reuse and recycle, waste reduction, noise emissions, animal welfare, biodiversity, land use and deforestation and responsible chemical management.

Business Principles

Legal compliance

In every country where we operate, Klippan Safety follow the laws and regulations of that country. In the event of a conflict between applicable law and the principles contained in this Code of Conduct, the law shall prevail. Any vested export limitations or economic sanctions shall be respected within that country.

Relationships with Business Partners

Klippan Safety's relationships with business partners are characterized by fairness. Klippan Safety shall not offer customers, potential customers, suppliers, governments, governmental agencies, or any representatives of such entities, any rewards or benefits in violation of either applicable laws or reasonable and generally accepted business practices. Klippan Safety's employees must not accept payments, gifts, or other kinds of reimbursement from a third party that could affect or appear to affect their objectivity in their business decisions.

Corruption, extortion, and bribery

Transparency and complete compliance with the standards of the organization with regards to relations with customers, suppliers, subcontractors, service providers and any other business partners are respected at Klippan Safety.

No form of pressure of any kind that could affect the objectivity of the relationships between the business parties is acceptable.

Any abuse of entrusted power or extortion in order to gain private financial or non-financial gain is unacceptable.

Klippan Safety is not allowed to offer or receive any gift, loan, fee, reward, or other benefit for or from any person as an incentive to do something unfair, illegal or to breach the trust in business relationships.

Responsible sourcing of raw material / Conflict minerals

Klippan Safety takes the problematic issues regarding mineral exploration and mining in conflict areas in the world very seriously. Klippan Safety supports the efforts to prevent these minerals from entering the supply chain. Klippan Safety expects our suppliers only to use raw materials from environmentally and socially responsible suppliers in products, production, and production methods all the way in the material supply chain.

The law sets mandatory reporting requirements for manufacturers of products that contain substances identified as “conflict minerals”.

Klippan Safety request the suppliers to follow the legal requirements and fulfill the legal reporting of Conflict minerals.

Fair business and competition

Klippan Safety complies with the standards of fair business and competition, in particular, it avoids business practices that unlawfully restrict competition, use inappropriate information exchange, and set prices using bid rigging, damping or unethical use of market specificities.

Confidentiality and Intellectual Property Rights

Klippan Safety and its Supplier shall respect confidential information and intellectual property rights by safeguarding against misuse, mishandling, counterfeit, theft, fraud, or improper disclosure in accordance with applicable law and other contractual terms

Whistleblowing and protection against retaliation

Klippan Safety’s Code of Conduct describes the commitments and principles that apply to all units and Business partners. Everyone working for these has the responsibility to follow these commitments and principles. If any employee suspect violation against the Code of Conduct, corporate policies, directives, laws or regulations, Klippan Safety encourage employees to report it. Initially to discuss with internal appropriate manager, or Human resources or in the end to report in Whistleblowing system.

All reports of misconduct will be reviewed and looked into, and confidentiality will be maintained to the fullest extent possible. Retaliation against those who speak up in good faith about concerns and reports of wrongdoing is never acceptable.

Accounting and reporting

All financial transactions by Klippan Safety must be reported in accordance with generally accepted accounting practices, and accounting records must show the nature of all transactions in a correct and non-misleading manner.

Employees and managers at all levels in Klippan Safety shall conduct their private and other external activities and financial interests in a manner that does not conflict or appear to conflict with the interests of Klippan Safety. Should a conflict of interest arise, it must be reported immediately by the person subject to the conflict to his/her immediate supervisor.

Political Involvement

Klippan Safety observes neutrality regarding political parties and candidates. Neither the name nor the assets of the Klippan Safety Company shall be used to promote the interests of political parties or candidates.

Monitoring and compliance

Management is responsible for implementing and informing employees of their rights, duties, and responsibilities under this Code of Conduct. Management is also responsible for maintaining adequate documentation to demonstrate it and its suppliers' compliance. As a condition of doing business with Klippan Safety, suppliers and subcontractors must allow Klippan Safety and its designated agents (including third parties) to perform audits, including confidential employee interviews.

Klippan, 2023-09-18

Håkan Lennartsson, CEO